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ABSTRACT

The need for a national policy for the development and use of human resources is evident. One part of the human resource development issue centers around the needs of adult workers who are unemployed or threatended with unemployment because of structural changes in the labor market. The issue of retraining adult workers was examined in detail in response to the problem of the high rate of structural unemployment. Two alternatives, both using vocational education money directed at postsecondary institutions, were examined for their ability to retrain dislocated workers. A third alternative examined the effectiveness of comprehensive career counseling and information services for dealing with dislocated adults. The fourth alternative reviewed the impact that entrepreneurial skill building and economic development might have on the high rate of structural unemployment. The alternative estimated to have the greatest impact on dislocated workers is the thid one, calling for the provision of comprehensive career counseling and information services. Entrepreneurial and economic development also appears to be a promising alternative. These alternatives, combined with existing training and employment efforts, would address the issue of structural unemployment on multiple fronts. Dialogue is occurring in Congress and in state legislatures that may lead to more help for structurally unemployed workers. (KC)

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# ALTERNATIVE TRAINING OPTIONS FOR STRUCTURALLY UNEMPLOYED OLDER WORKERS

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## FOREWORD

Vocational education programs in the United States serve a diverse clientele with a multitude of programs in complex and diverse settings. This diversity and complexity of these settings contribute, in fact, to the federal policymaker's dilemma: how to formulate federal educational policy that is relevant in all settings.

Policy analysis, too, is complex and multiopinionated. This dual complexity of programs and policy analysis presents special problems for developers of policy options. The policy analyst's role is seldom simple, but the search for policy alternatives that are meaningful and usable is an essential undertaking if vocational education is to move forward.

Federal policymakers are the primary audience for this policy paper. However, state and local policymakers should find the presenation of policy options and the discussion of their advantages and disadvantages useful.

The National Center expresses its appreciation to Andrew A. Helwig, the policy paper author. Dr. Helwig is an Assistant Professor in the Department of Student Personnel and Guidance, East Texas State University. He received a Ph.D. in Counselor Education from the University of Wisconsin-Madison.

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The National Center is indebted to the staff members who worked on the study. The study was conducted in the Information Systems Division, Dr. Joel Magisos, Associate Director. Dr. Floyd L. McKinney, Senior Research Specialist, served as Project Director and Alan Kohan as Graduate Research Associate. Dr. McKinney, a former secondary vocational education teacher, holds a Ph.D. in vocational education from Michigan State University. He has served as a university coordinator of graduate vocational education programs and as a division director in a state department of education. Mr. Kohan is a doctoral candidate in comprehensive vocational education at The Ohio State University and has a M.Ed. in Curriculum and Instruction from the University of Hawaii.

Patsy Slone served as secretary for the project. Joan Blank and Roxi Liming provided technical editing and final editorial review of the paper was provided by Ruth Morley of the National Center's Editorial Services area.

Robert E. Taylor
Executive Director
The National Center for Research
in Vocational Education

## PREFACE

Federal policymakers need to be aware of alternative policy options before they can make decisions regarding the optimal resolution of critical problems in vocational education. By utilizing the expertise of vocational educators, the policy options should provide policymakers with information about anticipated impacts, advantages, and disadvantages of each alternative.

Recognizing this need of federal policymakers, the U.S. Department of Education, Office of Vocational and Adult Education (OVAE), requested that the National Center for Research in Vocational Education conduct a study for the purpose of preparing policy analysis papers in eight priority areas of high national interest. The areas identified by OVAE were (1) private sector involvement with the vocational community, (2) entrepreneurship, (3) defense preparedness, (4) high technology, (5) youth employment, (6) special needs of special populations, (7) excellence in education, and (8) educational technology.

In accordance with the instructions received from the Office of Vocational and Adult Education, the National Center for Research in Vocational Education conducted a limited competitive search for authors to develop policy analysis papers on the eight critical issues in vocational education. Vocational education faculty members from educational professional development (EPD) institutions of higher education entered the competition by submitting a five-page proposal. No proposals were received on the topic of defense preparedness. After an extensive internal and external review process, eight authors were approved by the Assistant Secretary for Vocational Education, U.S. Department of Education.

The authors were provided assistance in policy analysis procedures, identification of relevant literature, and feedback on draft papers by policy analysts and educators. The authors presented their papers at a seminar in Washington, D.C., for key federal vocational education policymakers.

Other policy papers produced in this series are these:

- George H. Copa, University of Minnesota
  *Vocational Education and Youth Employment*
- Dennis R. Herschbach, University of Maryland
  *Addressing Vocational Training and Retraining through Educational Technology: Policy Alternatives*
- Ruth P. Hughes, Iowa State University
  *Secondary Vocational Education: Imperative for Excellence*
- Clyde F. Maurice, The Florida State University
  *Private Sector Involvement with the Vocational Community: An Analysis of Policy Options*

- L. Allen Phelps, University of Illinois
  *An Analysis of Fiscal Policy Alternatives for Serving Special Populations in Vocational Education*

- N. Alan Sheppard, Morgan State University, formerly at Virginia Polytechnic Institute and State University
  *A Policy Analysis of Professional Development and Personnel Preparation for Serving Special Populations*

- Gordon I. Swanson, University of Minnesota
  *Excellence in Vocational Education: A Policy Perspective*

Floyd L. McKinney
Project Director and Senior Research Specialist

Alan Kohan
Graduate Research Associate

## EXECUTIVE SUMMARY

The primary audience for this policy analysis paper is federal policymakers. The secondary audience is state and local level policymakers. This paper provides alternative policy options that contain information about anticipated impact, advantages, and disadvantages for each alternative. Recommendations for solving the problem are given.

The need for a national policy for the development and utilization of human resources is evident. One part of the human resource development issue centers around the needs of adult workers who are unemployed or threatened with unemployment because of structural changes in the labor market. The size of the pool of dislocated workers has been estimated to be as high as 20 percent of the unemployed, and projections suggest this number will remain high for many years. Obviously, there are negative personal and community consequences when these formerly productive, labor-market-attached individuals lose their jobs.

Past national vocational education and employment and training efforts have been directed primarily toward younger individuals and disadvantaged adults who are unemployed for the long term and have limited skills and poor work habits. Some state and local efforts have been mounted to retrain adults in a variety of public and private institutions. Employers also provide retraining and upgrading but primarily of their current employees. Developing human resources through retraining would give the dislocated worker more power in the labor market—assuming jobs are available.

The issue of retraining the adult worker was examined in detail in response to the problem of the high rate of structural unemployment. Four programmatic alternatives were identified. These alternatives are—

1. redirect the focus of vocational education from the secondary level to the postsecondary level;

2. designate the mission of secondary-level programs as vocational *education* and postsecondary-level programs as vocational *training*;

3. provide comprehensive career counseling and information services; and

4. facilitate job creation through entrepreneurial skill building and economic development.

The first two alternatives provide for expanding skill training to dislocated adults at public postsecondary institutions. The third alternative provides for the implementation of comprehensive career counseling services as it relates to entrepreneurship and to businesses.

The adequacy of each policy alternative was measured against several criteria including the following: number of dislocated adults who received skill training, number who were placed after skill training, number who were placed without training, cost-effectiveness, and duration of effect of alternative.

After examining constraints to implementation, limitations, and unintended consequences, it appears that of the four programmatic alternatives examined, the alternative calling for comprehensive career counseling and information services would most effectively deal with the structural unemployment problem. Entrepreneurial and economic development would provide additional useful approaches in helping dislocated workers. These alternatives, combined with existing training and employment efforts, would represent a formidable array of weapons useful in attacking the structural unemployment problem.

Awareness of the scope and the consequences of the high structural unemployment problem is increasing at local, state, and the national level. A consensus resulting in development of a national human resources policy, which would address this issue may be at hand

# CHAPTER 1

# BACKGROUND

The development and utilization of human resources constitute one of the most critical issues having an impact on the social and economic forces in the United States at this time. The retraining and employment of older workers comprise one significant segment of the human resource utilization issue.

A number of economic and social forces, both domestic and international, are creating a large pool of involuntarily unemployed older workers. These are individuals with previous attachments to the labor market, many of whom have never experienced unemployment in the past.

For purposes of this paper, "older workers" are individuals forty to seventy years of age as defined in the Age Discrimination in Employment Act of 1967 and as amended in 1978. The policy issues discussed here are also applicable to younger adult workers as well.

The principal focus of this analysis is on the structurally unemployed older worker. Structural unemployment "arises from basic changes in the composition of labor demand and failure of the labor supply to accommodate new market conditions" (Levitan, Mangum and Marshall 1981, p. 37). Other terms used to describe the structurally unemployed are "dislocated" (Congressional Budget Office 1982) and "displaced" (Clark 1983). The terms "structurally unemployed" and "dislocated" will be used interchangeably in this report. Furthermore, the policy issues addressed here may also apply to workers other than those structurally unemployed. Some of these other workers are underemployed and discouraged workers. Underemployed workers are those who work at jobs below their actual or potential skill level (Levitan, Mangum and Marshall 1981). Other individuals work part-time because they cannot obtain full-time work. Discouraged workers are those no longer seeking employment because of their expectations that no work is available. Over 1 million such individuals over the age of twenty-five are reported (U.S. Department of Labor 1983).

The class of individuals labeled structurally unemployed includes a variety of workers. Blue-collar employees in the goods-producing industries (e.g., auto, steel, and rubber) quickly come to mind. Other dislocated workers are switchboard operators, typesetters, movie projector operators, and postal clerks. A college history professor is also structurally unemployed when the department is cut back because of declining enrollment.

## Purpose

The purpose of this analysis is to generate policy alternatives for human resource development that may be useful to federal policymakers. The issue of human resource development and utilization, especially in the areas of education, training, and employment, is of special concern to U.S. Department of Education, U.S. Department of Labor and congressional workers.

The focus of this analysis is the dislocated adult worker. Previous programs and efforts sponsored by vocational and adult education, employment and training, and other interests to address the dislocated adult worker were reviewed. This analysis will generate policy alternatives that represent options for addressing the high rate of structural unemployment.

## CHAPTER 2

## CONTRIBUTING FACTORS

What are the forces contributing to the increase in the pool of structurally unemployed older workers? The principal factor is the changing skill demand in the labor market caused by technological changes. Technical changes are stimulated by employer demands for greater productivity and market competitiveness. The specific stimuli for technological change include the importation of lower-priced foreign products and the rising costs of inputs such as raw materials, energy, and labor. Consequently, industries are closing unprofitable plants, remodeling and streamlining existing factories, and restructuring or building new, technologically advanced facilities. One effect of these actions is the increasing number of layoffs and terminations of employees, including older workers whose skills are obsolete.

The geographical shift of industries from the Midwest and Northeast to the South and West results in plant shutdowns and the consequent dislocation of workers. Many of these workers refuse to relocate because of strong ties to their community including home ownership, a desire to be near family and friends, and the preference of children wishing to stay in their schools. The net effect is structural unemployment.

Cyclical economic slowdowns and decreasing product demand result in trimming work forces. Often during recessionary periods, production changes are made that result in the recall, when production levels rise, of fewer employees than were laid off in the slowdown. Streamlining of this kind adds more workers to the structural unemployment pool.

High labor costs, especially of some union contracts, result in decreased profitability and an inability to increase capital investments. Some plant shutdowns and the consequent structural unemployment of workers can be traced directly to high labor costs ("Greyhound: A Big Sell-off" 1983).

Brief mention must be made of two other factors that are impacting dislocated workers but are not directly causing structural unemployment. These factors are the composition of the labor force and the general trend away from a goods-producing to a service-producing economy.

The principal changes in the composition of the labor force are the overall aging of the work force and the increasing rate of participation by women. Overall, the labor force is increasing in age because the baby-boom cohort, a bulge in the supply of workers, is getting older, and the number of teenagers, new entrants in the labor market, is dropping significantly (U.S. Department of Labor 1982). Women comprise an ever-increasing percentage of the labor supply, now over 52 percent, and their number is projected to rise to 61 percent by 1995 (Andrisani and Daymont 1982).

The major trend that will impact dislocated workers is the shift from a goods-producing to a service-producing economy. Between 1960 and 1982, the percentage of nonagricultural workers in

goods-producing industries dropped from 38 percent to 27 percent, whereas the percentage in service-producing industries increased from 62 to 73 percent (U.S. Department of Labor 1983).

Within the service-producing industries, the major growth has been in information occupations. Approximately 17 percent of the U.S. labor force held information jobs in 1950. Over 60 percent now hold information jobs such as teachers, clerks, managers, government employees, and technicians (Naisbitt 1982). And more and more, computer technology undergirds information jobs. The best hope of dislocated workers for employment may well be in information occupations.

## CHAPTER 3

## THE NUMBER OF DISPLACED WORKERS: HOW MANY ARE THERE?

The number of structurally unemployed older workers is not easily determined. Consequently, depending upon definitions employed the numbers range widely.

Bendick and Devine (1981) estimated the number of dislocated workers under several varying conditions: unemployment of more than eight weeks or more than 26 weeks, and whether the worker came from a declining industry, occupation, or region. Counting all adults (not just older workers), their estimates ranged from 90,000 dislocated workers unemployed more than *twenty-six weeks* in a *declining industry* to 895,000 dislocated workers unemployed for more than *eight weeks* in a *declining region*. They used Current Population Survey data of March 1980 when the national unemployment rate was 6.2 percent.

Estimates of the number of dislocated workers using additional criteria were presented by the Congressional Budget Office (1982). In addition to the criteria of duration of unemployment, declining industry, declining occupation, and declining region, they considered length of tenure in the job lost and age at the time of severance.

Anticipating unemployment trends, the Congressional Budget Office (CBO) made these alternative projections for the number of dislocated workers for January 1983. The projections reported here are from the estimate that assumed the number of dislocated workers would stay constant from December 1981 to January 1983.

Using single criteria, the range of projected dislocated workers was as follows: 1,785,000 for workers of all ages in a declining industry and other job losers in the geographical area to 560,000 workers unemployed more than twenty-six weeks (ignoring all other criteria). Using the single criterion of aged forty-five years or more, 890,000 dislocated workers were predicted. Lowering the age to forty would increase this number significantly.

Applying multiple criteria, the CBO projected fewer dislocated workers. For example, using the criteria of declining industry, ten years job tenure, and aged forty-five or more resulted in a projection of 205,000 dislocated workers for January 1983.

Current unemployment data suggest that there are many more structurally unemployed older workers than projected by Bendick and Devine (1981) and the Congressional Budget Office (1982). For September 1983, the total number of unemployed workers between the ages of forty and sixty-nine was 2,168,000. Obviously, many of these are unemployed for other than structural reasons. There is always some frictional unemployment, and the recent recession contributed significantly to cyclical unemployment.

Structural unemployment has an impact on males and females, all racial and ethnic groups, and all age levels. It is difficult, however, to determine the extent of structural unemployment

within subgroups. Unemployment figures for those aged forty to sixty-nine in table 1 show totals of 1,243,000 males, or 57 percent, and 925,000 females, or 43 percent (U.S. Department of Labor 1983).

The vast majority of unemployed between the ages of forty and sixty-nine are whites (79 percent). Blacks comprise 18 percent of the total and other minority groups, 3 percent. It would be reasonable to expect that the same percentages might apply to the structurally unemployed (i.e., approximately 80 percent white and 20 percent minorities). In terms of absolute numbers, however, structural unemployment of older workers impacts about four white workers for each minority worker.

Who are the unemployed? What are their reasons for becoming unemployed? Seventy-four percent of the unemployed men aged twenty or older were involuntary job losers. Of the women in the same age range, 45 percent were involuntary job losers. Only 18 percent of the unemployed men had been reentrants or new entrants to the labor market versus 43 percent for women (U.S. Department of Labor 1983).

In their study of dislocated workers, Bendick and Devine (1981) found that 31 percent were women (from Current Population Survey data) and 19 percent were black. Liem and Rayman (1982) studied workers in the manufacturing industry in the Hartford, Connecticut, area and found that 16 percent of the workers were women, 9 percent were minorities, and 75 percent were white males.

Women and blacks, in general, tend to be employed in proportionately higher numbers than white males in service and information jobs. These occupations, often called the secondary market, pay less, experience more turnover, and provide shorter tenure than other occupations in the overall market. Service and information jobs are also growing at a faster pace than goods-producing jobs. As a result, women and minorities who become structurally unemployed often find employment success in this secondary market, whereas white males may be reluctant to accept such work.

TABLE 1

TOTAL UNEMPLOYED (AGED 40 TO 69) BY RACE AND SEX

| | MALE | | FEMALE | | TOTAL | |
|---|---|---|---|---|---|---|
| | Number | % | Number | % | Number | % |
| White | 992,000 | (80) | 722,000 | (78) | 1,714,000 | (79) |
| Black | 207,000 | (17) | 179,000 | (19) | 386,000 | (18) |
| Others | 44,000 | ( 3) | 24,000 | ( 3) | 68,000 | ( 3) |
| Total | 1,243,000 | | 925,000 | | 2,168,000 | |

SOURCE: U.S. Department of Labor (1983).

NOTE: Figures are from September 1983.

To recapitulate, based on best estimates from unemployment data and specialized studies of dislocated workers, structurally unemployed older workers tend to be white males in blue-collar occupations. Women and blacks make up a small but significant part of the pool. Depending upon the definition of structurally unemployed workers, the number of such workers ranges from 100,000 to over 2 million. In any case, the number is significant, and there is little hope that the problem will disappear in the near future.

The focus of this analysis will be on older, structurally unemployed men and women of all racial and ethnic groups. The treatment of policy issues of specific subgroups such as women, blacks, and Hispanics would require extensive separate analyses. However, specific reference to these subgroups will be made as the issue warrants.

## CHAPTER 4

## PAST EFFORTS

Dr. Joseph Kopas, president of the Human Engineering Institute, has described the impact of technology on workers thus:

> Dramatic technological advances during the past decade have brought about rapid and extensive modernization of equipment, facilities and processes in industry. Industrial concerns of all sizes have had no alternative but to modernize if they were to remain competitive. Moreover, there appears to be no end to the urgent need to modernize as the already fast pace of technological development continues to accelerate.
>
> We must emphasize, however, that technological progress not only makes equipment, processes, and facilities obsolete, but also makes employees obsolete. Just as in the case of older equipment, the older employees are hit the hardest and quickest by the probability of obsolescence. Obsolete equipment can be scrapped and replaced with new and modern equipment, but "obsolete" manpower cannot be scrapped except possibly in small numbers. (McKechnie et al. 1966, p. 393)

This statement was made nearly eighteen years ago and indicates that the problem of structurally unemployed older workers has been an issue for some time. For example, the mechanization of agriculture over the last eighty years has dislocated many workers. The federal government passed legislation dealing with employment and training issues in response to the depression of the 1930s. Some programs created were the Works Progress Administration, the Civilian Conservation Corps, and the National Youth Administration. A vehicle for facilitating labor exchange was also put in place with passage of the Wagner-Peyser Act (Crawford and Jusenuis 1980).

In 1961, the Area Redevelopment Act was passed to help localities deal with structural and technological changes. Some training was authorized. The following year (1962) the Manpower Development and Training Act (MDTA) was passed, which assumed the responsibility for training and retraining of workers who were dislocated. The War on Poverty programs of 1964, however, redirected human resource programs toward the economically disadvantaged. The term "structurally unemployed" was then used to denote those individuals who were long-term unemployed with limited prior attachments to the labor market and who had little education and few skills (Crawford & Jusenuis 1980). Structurally unemployed individuals were thus characterized throughout the remainder of MDTA and throughout the duration of the Comprehensive Employment and Training Act (CETA).

The economically disadvantaged persons served by MDTA and CETA are different from the structurally unemployed workers addressed by this analysis. Dislocated workers unlike disadvantaged ones, are generally better educated (to the level of high school graduates); include a lower proportion of minorities and women than in the disadvantaged groups; have a slightly higher pro-

portion of individuals aged forty and over than the disadvantaged groups; and in the year prior to unemployment, had higher salaries, fringe benefits, and overall family incomes than economically disadvantaged individuals (Bendick and Devine 1981).

CETA restated MDTA's provisions that employment and training services be available primarily for disadvantaged persons. Although CETA, Title III, Part C, authorized upgrading and retraining of dislocated workers, few took advantage of the opportunity (Smith 1981).

The Trade Adjustment Act of 1974 offered adjustment assistance to workers unemployed because of imports similar to the products made by the workers' firms. One of the benefits allowed under this legislation was retraining; but during the period of April 1975 through September 1980, only 12,760 individuals actually completed training (Johnston 1981).

The new Job Training Partnership Act (JTPA) authorizes employment and training assistance for dislocated workers under Title III. This legislation went into effect 1 October, 1983, and provides funds to states to be matched dollar for dollar and funds with a smaller required match to states with above average unemployment rates. A variety of services are authorized, including relocation assistance and training in job skills for which demand exceeds supply. Under this title either long-term unemployed, recently laid-off or terminated individuals or those who have received notice of lay-off or termination are eligible. The appropriation for this title for fiscal year 1984 is predicted to range from $240 to $500 million.

The Vocational Education Act of 1963, with amendments in 1968 and 1976, authorizes federal grants to states to assist students, dropouts, and those already in the labor market who need to upgrade skills or learn new ones. No less than 15 percent of the funds allocated to states must be used for vocational education of those aged twenty-five to sixty-five. That stipulation does not prevent states from channeling a higher percentage of federal funds into vocational education for adult education and retraining programs. However, at the national level, the vocational education system has not demonstrated a concerted effort aimed at retraining dislocated adults.

A draft of the new Vocational-Technical Education Act that is under consideration for reauthorization by the Congress includes a specific thrust aimed, in part, at dislocated adults. Title III—Adult Training, Retraining and Employment Development—authorizes grants to states to meet the needs of (1) unemployed persons who require training to obtain employment or increase their employability (2) displaced homemakers and (3) others.

At the local level, vocational education has been providing training and retraining programs to adults in secondary and postsecondary schools for many years. Training options available in secondary schools are generally limited in variety and availability. At the postsecondary level, dislocated adults have availed themselves of training programs at their own initiative and cost, or if disadvantaged, as part of a federal employment and training effort, or more recently, as part of a union contract agreement (UAW-Ford National Development and Training Center Report 3, 1983).

The U.S. Department of Labor has funded some demonstration projects specifically dealing with the structurally unemployed. One of these is the Downriver Community Conference of Wyandotte, Michigan, which began serving dislocated workers in July 1980. In addition to job search and placement assistance, some workers were provided classroom skill training by community colleges and other institutions, while others received on-the-job training (Abt Associates 1983). Based on the success of this project, six additional projects have been established in Alameda, California; Buffalo, New York; Lehigh Valley, Pennsylvania; Mid-Willamette Valley, Oregon; Milwaukee, Wisconsin; and Yakima, Washington.

An example of a state initiative to provide training is the California Worksite Education and Training Act (CWETA) passed in 1979. Dislocated workers and other economically disadvantaged individuals were eligible. Most of the training was provided on the job in high-demand occupational areas such as electronics, nursing, and tool and die making (Duscha 1982).

A local initiative to deal with structural unemployment occurred in Mansfield, Ohio, in 1978. The Mansfield Tire and Rubber Company closed its doors after a series of layoffs, affecting over nine hundred workers. An education committee brought together labor, business, education, health, welfare, and government agencies for planning purposes. State money helped finance the retraining program, which also included counseling and job placement services (Abbott 1979).

In summary, there have been no federally sponsored national efforts to provide retraining for structurally unemployed older workers. MDTA, in its early years, allowed for training of structurally unemployed workers of any age, but the services were quickly diverted to disadvantaged individuals in general. JTPA will provide for employment and training of dislocated workers. But JTPA will not focus on older workers and overall funding levels are projected to be low. Existing vocational education legislation does not address the retraining needs of structurally unemployed workers. Other efforts by states and localities have been spotty and of limited scale.

There is no specific national policy in the vocational education and employment domain for structurally unemployed older workers. Major ongoing programs that do assist dislocated workers of any age are employment services provided by job service agencies and the Unemployment Insurance system. However, these can hardly be viewed as the result of federal policy toward structurally unemployed older workers.

## CHAPTER 5

## CHARACTERISTICS OF THE STRUCTURALLY UNEMPLOYED

The structural unemployment problem of older workers will continue to be an issue concerning the utilization of human resources in the future because of the constant technological changes and changing skill demands of the labor market. The Congressional Budget Office (1982) has indicated that the most adversely affected workers will be older individuals many of whom will be semiskilled blue-collar workers. Although the pool of structurally unemployed workers includes many other workers as well, research studies have generally examined blue-collar workers and identified several factors that characterize this group.

One characteristic of older workers is that they experience longer periods of unemployment than do younger workers. This fact has been found in a series of studies reported by Freeman (1981). Several reasons for the increased duration of unemployment can be postulated. Dislocated workers, even in cases of plant shutdowns, may hang on, hoping to go back to their old jobs even though the possibilities are negligible. Another reason for longer unemployment duration is the nontransferability of skills. Older workers, more so than younger ones, have more firm-specific skills not in demand or as highly valued by other employers. Dislocated workers may be unemployed longer than younger ones because of inadequate labor market information and job-seeking skills. Younger workers may have more recently learned about and used job market information and job search techniques. Longer unemployment duration of dislocated workers may also be caused in part by a reluctance to relocate to a more favorable labor market. Home ownership is more common for older workers than younger ones, and older mortgage rates are difficult to give up. This conflict creates a reluctance to move. Strong attachments to the community, including those to family and friends, are difficult to sever. Relocation is more common for professional and technical workers than it is for craft and clerical workers and laborers (Congressional Budget Office 1982).

Older workers may experience discrimination in hiring by employers, which also contributes to longer periods of unemployment. Discrimination by employers may occur because they see older workers as more expensive to employ. For example, the workers' potential tenure is shorter, they may be more difficult to train, and health insurance coverage may cost more.

Another characteristic of older workers is the loss of wages they experience following unemployment. Two studies by Bartel and Borjas (1977a and 1977b) clearly indicated that males with more than three years of tenure who lost their jobs suffered considerable wage losses on subsequent jobs. In another study comparing dislocated workers with a sample who did not lose their jobs, Parnes and King (1977) also concluded that dislocated workers experienced lower earnings. In general, with increasing tenure, workers experience higher pay and fringe benefits. Often, retirement benefits require a number of years of tenure to be vested. If termination occurs before that time, future income is lost as well as present wages.

Bendick and Devine (1981) also identified some characteristics of dislocated workers. They used Current Population Survey data of March 1980 and 3,809 persons aged twenty-two to sixty-four who were not long-term disabled individuals, long-term homemakers, or long-term military personnel. These dislocated workers were individuals unemployed more than eight weeks from long-term declining industries, occupations, or regions. These workers were contrasted with long-term unemployed individuals (twenty-six weeks or more) and with a sample of disadvantaged workers.

In terms of education, 47.6 percent of dislocated workers graduated from high school versus 39.0 percent of disadvantaged workers. About the same percentage (17) from each group completed some education beyond high school. Approximately 31 percent of the dislocated workers were women versus 37 percent of the disadvantaged group. Nineteen percent of the dislocated workers were black in comparison to 31.4 percent of the disadvantaged group.

Bendick and Devine (1981) identified other characteristics of their dislocated sample. They called these the reemployment handicaps of affluence. One of these handicaps is home ownership. Dislocated workers tend to own homes more often than disadvantaged workers and thus are less likely to relocate to seek reemployment. Dislocated workers' former high wage levels and generous fringe benefits are additional handicaps to reemployment. They are apt to remain unemployed longer in the hope of getting their jobs back and may initially refuse to take other work with less pay. Another handicap of affluence is the presence of other wage earners in the family. In this sample 57 percent of the dislocated workers had another working family member versus only 29 percent of the disadvantaged group. With this additional income as well as Unemployment Insurance, there may be less immediate pressure to accept other work.

Besides the economic impacts on older workers who become unemployed, psychological and health impacts may be severe. Individuals become psychologically attached to their work, and often much of their self-identity is defined by their work experiences and accomplishments. Work also provides a structure to the individual's life by helping to keep in check potential or actual problem behaviors such as drinking (Shostak 1980). Consequently, loss of a job can threaten a worker's emotional and behavioral stability.

Liem and Liem (1979) studied eighty blue- and white-collar families, following the husband's job loss from cutbacks or plant shutdowns. A control group of families with employed husbands was identified. Unemployed husbands reported higher levels of psychiatric symptoms in comparison to control husbands. Furthermore, family members of unemployed workers were also negatively influenced. Wives of unemployed husbands reported significantly more anxiety, depression, and sensitivity about their interpersonal relationships than wives of working husbands.

The Hartford Project examined the impact of the aircraft industry's ups and downs on individual workers and the community (Liem and Rayman 1982). The majority of the eighty workers who had experienced unemployment during a ten-year period of time reported serious physical and emotional strain in addition to financial hardships. High blood pressure, alcoholism, insomnia, and anxiety were commonly reported. Heads of households who were middle-aged experienced more stress than younger single workers.

If the economic, psychological, and health impacts are severe on individual workers who experience unemployment, a concomitant impact is also made on the community. Economically, the loss of wages will have a ripple effect far beyond the individual workers who become unemployed. Retail businesses experience a decrease in sales, and service industries see fewer customers.

An increase in psychological and health problems creates a drain on social services, especially those provided free of charge or at low cost. Many social and health problems such as stress, anxiety, alcohol and drug abuse, spouse and child abuse—all linked to unemployment—often go untreated and unreported. Increases in crime rates also appear associated with high unemployment.

**The Problem Restated**

For a number of reasons—including technological changes, industry modification and cutbacks, and plant shutdowns and relocations—the number of workers unemployed for structural reasons is high. There appears to be no quick resolution to this problem; rather, it is projected to continue and perhaps accelerate.

Involuntary unemployment experienced by older workers aged forty or older is associated with a variety of economic consequences. Some of these consequences are longer periods of unemployment, loss in wages after return to work, and discrimination in hiring. These unemployed older workers also suffer psychological and health consequences. There is an increase in stress, high blood pressure, alcoholism, and insomnia. The worker's self-concept and sense of worth may be negatively affected. Family members, especially wives, experience anxiety and depression.

Besides the impact on individuals, the community is also affected. Retail and service industries suffer losses, and social service agencies experience rising demands.

**General Solutions**

A number of alternatives dealing with the high structural unemployment problem of older workers can be identified. Many of these alternatives (in some form and to some extent) are currently in place and represent limited federal efforts to deal with unemployment in general (with some exceptions) rather than with older dislocated workers.

First, one alternative is to allow older workers experiencing structural unemployment to make their own adjustment to changing labor market demands. Most of these workers receive Unemployment Insurance (UI) for at least twenty-six weeks, which replaces, in part, lost wages. A slight modification of this alternative is to provide extended UI benefits at the initiative of states or the federal government. These unemployed adults can take advantage of any local vocational training opportunities at their own expense. The federal/state job service is also available with its labor market information and job search assistance.

Second, another alternative would be the creation by the federal government of additional, special protection programs for dislocated workers. The Trade Adjustment Act of 1974 was designed to assist employees in industries hurt by increased imports. A variety of adjustment assistance benefits, employment and training, and relocation services were offered under this act. Other similar programs that have been authorized include the Redwood Employee Protection Program, Airline Deregulation Act, and the Public Works and Economic Development Act.

Third, Title III of the newest comprehensive federal employment and training program, the Job Training Partnership Act, authorizes services for dislocated workers regardless of age. JTPA, Title III, represents a very modest expression of federal concern for the growing problem of the structurally unemployed. Services authorized include training in job skills, job search assistance, supportive services, and relocation assistance.

Fourth, another alternative strategy for dealing with high structural unemployment is to create jobs such as occurred under CETA with Public Service Employment. One method of creating jobs is through economic development. The stimulus for economic development can come from federal, state, or local incentives such as tax advantages, attractive loan programs, advantageous depreciation allowances, or reduced costs for facilities or real estate. A current federal economic policy calls for the development of enterprise zones wherein the private sector establishes firms in distressed areas. This policy would be most helpful to disadvantaged workers rather than dislocated ones.

Fifth, a final solution is the use of retraining of structurally unemployed older workers in an effort to reduce the high rate of unemployment of this group. Retraining of these dislocated workers would change their fundamental relationship to the labor market. It would change their status from that of an expendable and obsolete resource to that of a valued participant in the economic system.

# CHAPTER 6

# RETRAINING

Further examination of retraining as one of the options that may reduce the rate of unemployment among dislocated older workers may be instructive.

Why focus on retraining? To maintain a productive and efficient economy, appropriately trained workers in sufficient numbers are necessary. Without trained workers, productivity decreases, and implementation of innovative equipment and processes is slowed. The magnitude of this problem increases as technological changes accelerate. Consequently, retraining of dislocated workers will benefit the employers as well as the worker who becomes productive again. In short, retraining provides the mechanism for reallocating human resources within industries and across regions (Saks and Smith 1981).

The retraining of older workers is associated with an increase in earnings because in part they already possess basic work skills and habits and also, with greater family responsibilities, are more likely to take advantage of retraining (Congressional Budget Office 1982). Historically, however, federal vocational education funds and employment and training monies have been aimed primarily at younger individuals and the disadvantaged.

The need for retraining increases as skilled workers leave the labor force and as changing skill demands occur for technological and other reasons. The Associated Builders and Contractors Inc., report that nine hundred thousand new skilled workers in the construction industry alone will be needed by 1990 (Jackman and Mahoney 1982). The Bureau of Labor Statistics estimates that 75 percent of the jobs in 1990 will require some postsecondary technical training, yet math and verbal skills are declining (National Commission for Employment Policy 1982). Other estimates suggest that as many as 20 million workers will need to be retrained in the next decade because of obsolete skills. Also, in 1982, 1 million skilled jobs were vacant (duPont 1983).

## A Model

An examination of three principal components and their interrelationships will be helpful in determining policy that affects all of them. The three components are as follows: education, defined broadly to include public and private, and secondary and postsecondary efforts; industry, which includes private business, public employers, and labor; and the worker. Policy exists for education and industry, but no clear policy exists for human resources, or the worker. Education and industry policies may not be mutually supportive, however, and are often designed to meet conflicting goals. Priorities are developed and trade-offs are made, often by default (Pannell 1981).

Education and industry have substantial power, permanence, and independence relative to the worker. The worker, on the other hand, is strongly dependent on industry but perceives no particular relationship to education. Relationship is defined as a perceived need for or dependence upon.

Education and industry, however, have a moderately strong relationship with each other, which is often subtle or unrecognized (figure 1).

As portrayed in this model, the weakest relationships exist between education and the worker. Moderate relationships exist between education and industry. The relationships between industry and worker are mixed; that is, the worker has a strong relationship with industry, but industry has only a weak relationship with the worker.

Such a state suggests imbalance and a lack of operational interdependence. Clearly, the worker is vulnerable if neither education nor industry perceives the worker to possess something they need. Such workers will be expendable and shunted out of the stream that flows connecting education, industry, and the work force.

The current rapid changes in technology and processes are resulting in dramatic skill demand changes. The education system has not adequately adjusted to these demands, and industry finds that retraining requires considerable time and cost in comparison to the modest costs for retraining in the past. This situation contributes, in part, to the increase in current skilled job vacancies estimated at about 1 million. Projections indicate that this number may rise.

If industry chooses to provide its own training and retraining to its workers, the interrelationships between industry and the worker will tend to be strong. When industry trains, it makes an investment that it wants to recover. Much training is firm specific to fit the employer's specific needs. More general training may mean that the worker may choose to leave the employer for another, resulting in the loss of a valuable resource to the training employer. As more training is provided by an employer, the investment in the worker increases consequently strengthening the bond between the two. A strong relationship between industry and workers would not, however, imply similar relationships between education and worker, or between education and industry. A strong link between education and the worker does not ensure that the worker will consequently have a strong relationship with industry. Workers, as consumers of education, find themselves at the mercy of the educational institutions they attend. At the postsecondary level some options and alternatives regarding schools and programs may be available to the worker. However, workers have little power to change educational programs should they wish to make the educational experiences more relevant to the industry needs they perceive.

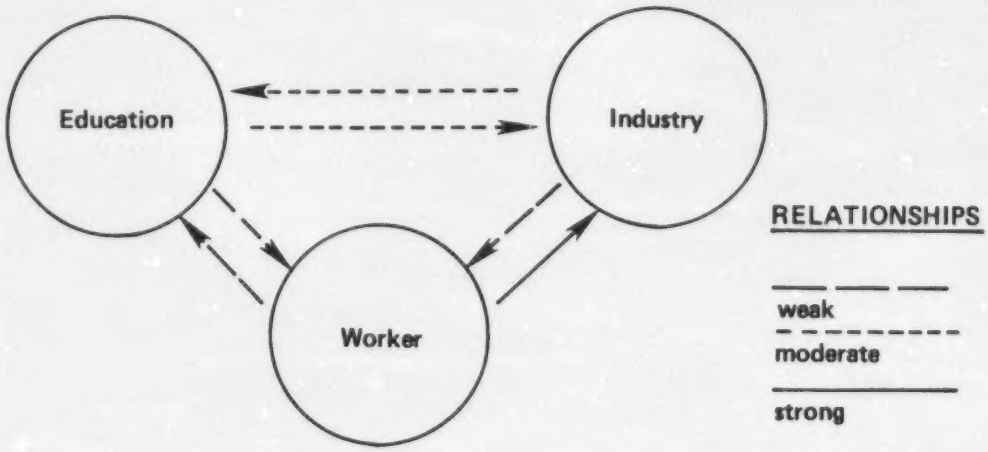


**Figure 1. Education, Industry and Worker Interrelationships**

Finally, if the relationship between education and industry is weak, then the product of education—the worker—will be in a weak position vis-a-vis industry. Industry will have to spend more to find qualified people, including luring them away from other employers; industry will also have to increase its own training capability. In either case, costs to industry increase if skilled workers do not come out of the education system.

When education and industry relationships are strong, it means they are communicating with each other. Industry tells education what its human resource needs are in the areas of basic and general skills, as well as specific skills. Education, on the other hand, designs its offerings to maximize skill development. The result of close linkages between education and industry is a trained worker who will be attractive to the employer; also, the trained worker will be cost-effective in that needed general or firm-specific training will be reduced and the worker will quickly move toward desired productivity levels.

The goal of policy in this area should be to balance the power interrelationships existing within the triad of education, industry, and worker. More specifically, the worker must gain considerably more power in relationship to education and industry. With a balance of power, workers could broker their skills and services more effectively, thus enhancing their own career development while providing employers the needed skills. Workers would still be dependent on industry because industry has the jobs, but they would attain greater flexibility in choosing work sites and job duties consistent with their skill development.

How can workers achieve a balance of power with industry and education? To increase their power with industry, workers need the education and skills that are required by industry. This gain would enhance their utility, bargaining position, and mobility. Vocational education and employment and training programs could assist dislocated workers in this regard. Four alternatives will be investigated in subsequent sections.

Workers can best achieve a balance of power with education through economic means, that is, by having the financial resources to pick and choose from among the options available the general and specific skill training desired. To achieve this economic parity with the education system, a federal role may be required. A variety of funding mechanisms could be used to enhance older workers' ability to secure retraining that would, in turn, enhance their bargaining position with industry.

## Retraining Issues

In considering retraining as one option for dealing with dislocated workers, two critical issues related to training must be addressed. These issues are the availability of skilled job vacancies and the characteristics of adult learners.

### Skilled Job Vacancies

An assumption underlying the movement toward retraining of dislocated workers is that job vacancies with skill demands similar to the training exist or will exist. Obviously, retraining is futile if there is no demand for the skill, or the job openings are located elsewhere and the newly retrained workers refuse to move. Determination of skilled job vacancies that currently exist as well as projections of such job vacancies can be done with considerable accuracy but often is not done.

Dislocated workers who are retrained for jobs that do not exist are vulnerable to negative psychological consequences. Not only do they experience the shock of layoff or termination, but also they receive another setback when continued unemployment follows retraining.

The tremendous growth of the secondary labor market comprised of service jobs also creates social and psychological repercussions. For many dislocated workers—whether retrained or not—low-paying, low-status jobs in maintenance, service, and clerical fields will become real but unwanted possibilities. For many workers, self-concept is determined by vocational identity. Accepting a job in the service industry leads to not only underemployment but also cognitive dissonance about one's self-concept and worth. If only service jobs are available, retraining efforts may be more damaging than helpful.

**Characteristics of Adult Learners**

Most structurally unemployed older workers have been away from formal education settings for many years. In addition, many have only limited educational attainment, often less than high school graduation.

In a recent review, Drewes (1981) described some general characteristics of older persons that vary, depending upon the person's age and specific background. For example, older persons (1) have a greater desire for certainty than younger persons (2) are cautious in new situations (3) avoid risk when possible (4) prefer to deal with the concrete (5) have difficulty judging what is irrelevant information (6) and respond at a slower rate.

Drewes (1981) also identified these characteristics and goals of adult learning: adult learning is motivated by a need to know, such as to learn new job skills; adult learning is goal directed, that is, addressing competencies and skills, solving or mastering problems; adult learners are not interested in mastering a body of knowledge as in traditional education; and instructors of adult learners should function as managers and facilitators of the learning process. Adults who pursue retraining may need other services in addition to instruction. Basic skills may be weak, study skills absent, and anxiety high. Even before a type of training is selected, career and labor market information, assessment, and vocational counseling may be helpful. During training, personal and supportive counseling, as well as tutorial assistance, may be necessary for some. Near training completion and after training, job development and placement services help direct the retrained adult to new employment. Dealing with the humanness factor (Adult Learning Potential Institute 1980) throughout the retraining experience is also important. In addition to retraining, attention to the attitude and value changes of the dislocated worker may be beneficial in order to facilitate the transition to another occupation. Completion of a retraining program also increases the worker's self-confidence, shores up a sagging self-concept, and provides the worker with economic leverage.

Whites are more likely to take advantage of retraining opportunities than minority group members. Statistics indicate (National Center for Education Statistics 1983) that 21 million persons participated in adult education programs in the year ending May 1981. Of these participants, 88 percent were white, and 12 percent were blacks and other minorities. Participation in adult education is associated with a person's level of educational attainment. The higher the level of education, the more likely the person will attempt adult education. Level of family income is also associated with adult education participation; that is, the higher the level of family income, the greater the participation in adult education.

Extrapolating from these data, it would appear that participation in retraining programs by minorities would be proportionately less than for whites because, in general, whites have attained higher education and family income levels.

## CHAPTER 7

## PROGRAMMATIC ALTERNATIVES

The problem for which alternatives will be generated is the high rate of structural unemployment of older workers. The goal of these policy alternatives is to promote the reemployment of dislocated workers in permanent, unsubsidized jobs. With that goal established, some alternatives such as the creation of public service jobs or special protection programs will not be considered. The four policy alternatives to be presented are programmatic in nature, but only two directly address the issue of occupational skill training. All four policy alternatives, however, can be considered by the U.S. Department of Education. Federal policymakers in other government agencies such as the U.S. Department of Labor and the Congress may also have an interest in the alternatives.

The four policy alternatives are as follows:

1. Redirect the focus of vocational education from the secondary-level to the postsecondary level

2. Designate the mission of secondary-level programs as vocational education and of postsecondary-level programs as vocational training

3. Provide comprehensive career counseling and information services, but not training to dislocated workers

4. Facilitate job creation through entrepreneurial and other skill building and economic development

### Alternative One:
### Redirect Focus from Secondary to Postsecondary

The thrust of vocational education should be redirected from secondary to postsecondary programs. Historically, the emphasis of vocational education programs has been on secondary students. This alternative will argue for a significant redirection of programmatic emphasis and federal fund distribution to those postsecondary vocational programs that adults need in their pursuit of retraining. Adults are defined as those who are out of school and aged seventeen or older. Postsecondary vocational programs are those that require full-time attendance and that are six months or more in duration (National Center for Education Statistics 1983). (For purposes of this alternative, adult education courses—which range from hobby and recreational activities to highly technical training—will not be included. Fewer than 12 percent of these courses are taken by adults for purposes of getting new jobs.)

During the industrial revolution years, young people often entered jobs that lasted for life. They would stay with the same employer, building loyalty and achieving a sense of security. They made an investment in the employer and were rewarded with steady work. If unemployment occurred, it was typically followed by reemployment with the same employer. Workers were unlikely to change jobs or employers.

The labor market is a dynamically different arena now. People do not enter jobs that last for life. Projections suggest that young people now entering the work force can expect seven to nine job changes in their work careers. Each recession ends in a higher unemployment rate with "full employment" meaning more and more unemployed workers. Technological changes and other economic forces argue for, and indeed demonstrate, the need to be flexible, to be open to change, to upgrade skills, and to retrain. However, despite these pervasive changes, national vocational education has not redirected its focus to adults.

Additional arguments for the redirection of vocational education funds to postsecondary programs are also compelling. The enrollment of students in secondary schools is decreasing nationally. This is consistent with the decreasing birthrate that followed the baby boom. The number of teenagers and young adults will continue to decrease throughout the next decade. The number of young workers aged sixteen to twenty-four peaked at nearly 26 million in 1980 but will drop to 24 million in 1990 and 23 million in 1995 (National Commission for Employment Policy 1982). Decreasing enrollments and school closings are not occurring uniformly across the country. Since the South and West are experiencing some increases in student numbers, this argument for redirecting vocational education money to postsecondary programs because secondary school enrollments are dropping does not apply unconditionally.

Who is in more critical need of vocational education programs? The unemployed adult with obsolete skills who may have other family members to support and a variety of other financial responsibilities or the secondary school student with more limited responsibilities? With reemployment after retraining, the older adult would be able to pay back quickly through tax dollars the money spent for retraining.

Younger workers who had less vocational education would still have access to the mushrooming number of service and information jobs in the secondary labor market. Many of these jobs require no special skill training but would be adequate first jobs for some youngsters following secondary school. Other high school graduates would consider the myriad of postsecondary training opportunities, apprenticeships, military service, and other options.

In short, this alternative argues for the significant redirection of vocational education programs toward adults. One-half of the federal funds provided states should be earmarked for postsecondary programs. Some incentive or bonus funds may have to be used to encourage states to continue to contribute their state money to these programs at the same funding level as before the federal funds were redirected. Obviously, if states reallocated their postsecondary money to the secondary level, the impact of such a new federal policy might be negated.

The redistribution of vocational money from secondary to postsecondary programs would allow for expanding existing curricula, developing new curricula, purchasing equipment and material, hiring additional instructors, and improving facilities.

The kinds of training programs offered would be those already in place or new ones. These programs would be occupationally-specific programs aimed at the development of skills required in a specific occupation or class of jobs. Some training programs would also be job specific, or the

training would be designated to fill a specific employer's needs. For many dislocated workers, some remedial basic education would also be provided before or along with the skill training.

### Alternative Two: Restrict Secondary-level Vocational Programs to Education, not Training

The second policy alternative suggests that secondary-level programs be restricted to the provision of vocational *education*, whereas vocational *training* be provided only by postsecondary programs. Such a philosophical stance would be reinforced by a redistribution of vocational funds to postsecondary training that would open up more opportunities for dislocated workers seeking retraining.

Moss (1983) has suggested that vocational *education* may be viewed as a lifelong process increasing the individual's capacity for a successful career. If so, the content of vocational education would come from groups of occupations with stress placed on transferability, transportability, and adaptation of the work role to the individual.

Vocational *training*, on the other hand, would be designed to fit individuals to jobs. Labor market demand would dictate who would be trained. The content of vocational training would come directly from specific occupational requirements (Moss 1983).

More specifically, vocational *education* at the secondary level would include career awareness and exploration, employability skills development, and preparation for an occupational area. Learning activities in career awareness and exploration would focus on career decision making, vocational counseling and guidance, and assessment of skills, abilities, and interests. Employability skills development would include activities facilitating the development of work-oriented values and attitudes, job seeking and job survival skills, and basic skills that increase the individual's employability. Preparation for an occupational area means skill training for the purpose of developing general employment skills that apply to a cluster of occupations. The intent of this training is to develop broadly based skills and competencies that apply across a number of related occupations.

Vocational *training*, on the other hand, would provide occupationally- specific programs aimed at developing the skills and competencies necessary to perform a specific occupation or closely related set of jobs. Vocational training would also include job-specific training or training designated for a specific employer. Other supportive and related services such as vocational counseling, job search, and placement would be provided as part of vocational training programs.

The arguments for and against specific vocational training at the secondary level have been waged for a long time. However, the arguments for restricting the secondary level to vocational education *only* are perhaps more cogent now than in the past.

The report by the National Commission on Excellence in Education (1983) and other studies argue for strengthening the more traditional basic and generic skills of students. An underlying educational principle in this country asks for the education of the whole person rather than the training of just part of the person. Many employers also encourage vocational education to broaden and deepen instruction in basic academic disciplines (Cook 1983). Other employers, however, push for customized vocational training programs that clearly cross the line from education to training. The employer becomes the primary beneficiary of the program; the student is secondary (Pratzner 1983).

Vocational education at the secondary level should stress practical application when teaching the basic skills. Courses should be designed to teach these skills while solving practical problems in such a way that these skills can be transferable to situations outside the school setting (Bottoms 1983a). If taught in this way, many high school students who are discouraged by traditional instructional techniques would find such learning relevant to them. For example, reading and writing skills can be taught more interestingly through the use of a variety of worker materials such as instructions, operating procedures, graphs, signs, safety rules, order supplies, and job descriptions, rather than through the usual textbook approach.

Besides the basic academic skills, vocational education should also teach a number of work- and career-related skills often not taught in the usual curriculum. In the area of values and attitudes, students should be encouraged to develop positive attitudes toward work, accept responsibility for and consequences of their actions, learn respect for themselves and others, and experience leadership (Bottoms 1983b). Cooperative behavior, not stressed in most school learning, should be emphasized because it is required in the workplace to meet common goals for the good of the organization. The opportunity to develop broader scientific and technical knowledge and skill should be available to those who are able to prepare for a wide range of occupations or for further study. Nearly eight hundred manufacturers in a recent national survey (Nunez and Russell 1983) encouraged more employability and broad occupational skills training at the secondary level. Employability skills include career decision making; seeking, finding, and holding a job; writing resumes and interviewing; attendance and punctuality. The broad occupational skills are reading, writing, and arithmetic.

Vocational education at the secondary level may be trying to do too much in terms of specific skill development. This effort is being made despite the serious shortage of current, up-to-date teaching staff, the lack of relevant vocational education curricula, and growing problems of obsolete equipment and materials. One national survey found that 52 percent of the responding school systems indicated a shortage of trade and industry instructors (Nelson 1982). Another study found that 30 percent of the equipment and tools used in trade and industrial and technical programs are obsolete. Furthermore, each institution would need to spend six hundred thousand dollars to update its equipment if it had agriculture, business and office, home economics, and trade and industrial programs (Bottoms 1982). Mastering skills with obsolete equipment and learning outdated processes may be detrimental to students who think they are skilled but cannot get hired. Or, if hired, such students may be confused and frustrated when obsolete skills must be unlearned or suppressed so that appropriate, new ones can be mastered.

The use of tools and equipment, however, should be continued in secondary vocational programs as long as the familiarity and operational skills involved cross occupational lines. This practice would include the use of tools, office equipment, computers, and a variety of machines and engines. The intent behind the use of such tools and equipment would be for learning general occupational skills common to several occupational areas rather than skill training in a specific occupation or job.

Secondary vocational education should reduce its scope and focus to education rather than training and strive to do that well. It could continue to provide the work-study and cooperative education programs that serve the needs of many secondary students. In secondary schools more than fifty miles from the nearest postsecondary institution, some occupationally-specific training programs (e.g., as automobile mechanic, secretary, and plumber) should be authorized if appropriate facilities, equipment, and trained staff are available.

With such a redirection of mission at the secondary level, the need for articulation with the postsecondary level would be even more critical. The postsecondary level would concentrate on specific vocational training with less emphasis on remedial education. However, for many dislocated adults with weak basic skills, short and intensive skill-related basic reading, writing, and math training would be necessary. Such basic academic skill building would not be so broad based and comprehensive as that in secondary vocational education. It would be more focused to provide the base for specific skill learning with the intent of quickly preparing the adult for skill mastery leading to reemployment.

With the vocational training mission restricted to the postsecondary level, more funds could be targeted at faculty, equipment, and curriculum needs to minimize irrelevance and obsolescence. Ties with the employer community would be strengthened if specific skill training were restricted to the postsecondary level. At the postsecondary level, the prevailing institutional philosophy is centered on quality occupational training, whereas at the secondary level, administrative emphasis is more likely on the college preparatory program (Benson 1982).

In short, this policy alternative suggests restricting the secondary level to the provision of vocational education and the postsecondary programs, to skill training. Federal funds provided to states should be distributed in a manner to maximize the differing missions of education and training. For example, federal funds could not be used to support specific occupational or job training at the secondary level. Such a redistribution of funds would be helpful in providing more training opportunities for dislocated adults.

### Alternative Three: Implement Comprehensive Career Counseling and Information Services

The third policy alternative is to implement a comprehensive program of career counseling and information services for dislocated workers. These services could be located in a variety of existing institutions.

Career counseling is based on the following assumptions: career development and decision making is a lifelong process; one's work and career can be directed and managed; and each individual can be successful and satisfied in a number of different occupations (Daley 1977).

A variety of career counseling and information services would assist dislocated workers in becoming reemployed. One goal of such services is to help individuals identify transferable skills. These skills might have been gained in previous paid employment, the military, homemaking, or volunteer or avocational activities. Assessment of strengths, interests, and aptitudes could occur. Education, training, and labor market information could be provided. The individual would be assisted in decision making in relation to further education, training, or employment. Job vacancy information and job seeking skills instruction could be provided. Job clubs, which appear more effective in assisting individuals in job placement than traditional methods, might be implemented.

As part of this counseling service, attention could also be given to the individual's need to shift from high-paying blue-collar work to service or information industry jobs. Such issues as self-concept, job stereotyping, and nontraditional occupations might need to be addressed.

Barton (1983) argues that these career development services should be provided to employed workers as well as those who are dislocated. He states that—

> with an ongoing system of good adult training and education we can help workers prepare for new jobs *before* they are affected by imports, technological change, and plant closings and relocations. This means reaching employed workers with counseling and information about the changing occupational world, tapping existing resources in employer-paid tuition-aid programs, and commitment to the proposition that education and training are truly life-long ventures. (p. 24)

One key component of this policy alternative is the availability and usability of current labor market information. Such information must include occupational projections, employer demand, and occupational supply. Characteristics and requirements of occupations must be available. The individual, alone or in counseling, must be helped to identify transferable skills and the occupations to which these skills transfer. A variety of usable hard-copy materials, as well as computerized guidance facilities, can make this labor market information both available and understandable.

Many federal, state, or locally funded educational, employment, and training programs already provide some career counseling and information services. However, in many cases these services are provided with the intent of enrolling or directing individuals into certain educational, work, or training programs for which the agency is responsible. This policy alternative suggests that these career counseling and information services be provided free of such influences. One function of the service, nevertheless, would be referral—as appropriate—to available programs and services in the community.

One of the agencies that claims to provide comprehensive career counseling and information services and is authorized by legislation to do so, is the U.S. Employment Service. Yet such comprehensive services are usually not available. State job service agencies are limited in both size and ability of staff to provide counseling and job search assistance (Congressional Budget Office 1982).

The Job Training Partnership Act (JTPA) also provides for career counseling and information services, but eligibility is restricted. The emphasis in this legislation is on youth and the disadvantaged.

Postsecondary institutions typically provide career counseling services; however, these services are often limited to current or potential students. In addition, the career development services that are available tend to focus on educational and training alternatives rather than on the full range of employment, training, military, apprenticeship, and other opportunities.

Comprehensive career counseling and information services might constitute a first step in dealing with dislocated workers by attempting to put them back into the labor market. Such services would be cost-effective and valuable whether or not job openings existed at that time or in that locality. If jobs existed, these services would expedite filling the vacancies. If jobs did not currently exist, these services would still help individuals make better job and career adjustments in the future.

In summary, this alternative, to assist structurally unemployed older workers with comprehensive career counseling and information services, could be implemented with vocational education funds. This alternative could also be considered by other federal agencies or some combination of agencies.

### Alternative Four: Economic Development Including Entrepreneurial Skill Building

Another alternative for dealing with the high rate of structural unemployment is for vocational education to facilitate economic development and skill building in the establishment, management, and operation of new businesses. Most job creation in the past has been done in the public sector. In these instances, both the money and the jobs that were created were temporary. Swanson (1977) has argued that ignoring the demand side of the labor market is short-sighted conventional wisdom among vocational educators. Stimulating job creation and job retention, whether in existing businesses or new businesses, could benefit dislocated workers.

A number of federal economic development programs already exist in the U.S. Department of Commerce (Economic Development Administration), U.S. Department of Housing and Urban Development (Community Development Block Grant Program), and U.S. Department of Agriculture (Farmers Home Administration). Additional state/local government and private/community-based programs have been initiated. Some Private Industry Councils (PICs) have also stimulated economic development activities (Crawford and Jusenuis 1980).

One of the most appropriate areas of involvement in economic development by vocational education is to work with existing businesses to help identify and provide skill training activities that will increase productivity. This collaboration may occur in response to installation of new equipment, manufacturing processes, or administrative procedures. The training can be customized and provided on-site if necessary. Making a business more efficient and productive can help stimulate job creation.

Similarly, vocational education can assist businesses by providing a pool of skilled workers so that the businesses can expand. Because expanding an on-site facility is less expensive and more cost-effective than relocating, the former is the preferred option of industry (Crawford and Jusenuis 1980).

Vocational education staff in conjunction with other economic development personnel should also be able to persuade businesses to relocate within commuting distance of the training institution. One of the principal reasons why industry chooses a specific site for relocation is the availability of workers who possess the skills required or can be trained to requirements. Some states (e.g., North Carolina) have proactive policies for providing vocational training programs to new and expanding industries. Such training may be subsidized by the state (Stevens 1983). In any case, such expansion or relocation would represent a significant job-creation activity.

Vocational education should also be prepared to provide a number of information and skill development activities promoting entrepreneurship. One result of the baby boom is the large number of individuals between the ages of twenty-five to forty in the labor market. These workers are reaching the stage in their careers when they are ready for significantly greater responsibilities in the form of promotions. However, with the large number competing for the same positions, many are looking for ways and opportunities to begin their own businesses. Entrepreneurship allows persons more control over their career achievement and economic success.

Entrepreneurs often need assistance in the process of establishing and maintaining small businesses. They need to learn a variety of management and business practices. Potential entrepreneurs may also need investment capital of their own or that obtained through business loans. Entrepreneurs must be willing to take risks and handle a great deal of uncertainty.

Because of these considerations, many individuals in the dislocated worker pool would not be appropriate for entrepreneurship development. However, a small percentage would be appropriate. If entrepreneurship development efforts were aimed at employed and selected dislocated individuals, as the businesses grew, job opportunities would be created to help dislocated workers.

In summary, this policy alternative, to stimulate economic development and provide entrepreneurial skill training, is a programmatic thrust that vocational education could consider giving increased attention and funding. Economic development activities could positively impact the unemployment rate of dislocated workers. Investing time and training in entrepreneurs and new businesses could also stimulate job creation.

### Criteria

To help determine the relative adequacy of each of these four policy alternatives, several criteria have been identified in table 2. The first criterion—number of dislocated adults receiving skill training—would apply to the first two alternatives, namely, redirecting focus from secondary to postsecondary and designating the secondary level for education and the postsecondary level for training. The second criterion—number of dislocated workers who are placed in jobs after skill training—also applies to the two previously cited alternatives. This criterion would apply to the alternative of entrepreneurial and economic development as well, although the skill training would revolve around establishing and maintaining a business rather than occupationally-specific training.

The third criterion—number of dislocated adults who are placed without skill training—could be used as one measure to assess the effects of the third policy alternative, career counseling and information services, as well as the impact of economic development activities undertaken through the fourth policy alternative.

Another criterion, cost-effectiveness, might be applied to all four policy alternatives. For example, dollar costs per dislocated worker could be calculated to determine relative costs per individual for each alternative. Occupational skill training and career counseling costs could be calculated. Entrepreneurial skill development costs could be estimated. Economic development costs would be more difficult to measure. Another approach to cost-effectiveness would be to calculate how many dislocated workers would be served by each policy alternative given a specified funding level.

The fifth criterion refers to the time duration each policy alternative could be expected to contribute in the reduction of the structural unemployment rate of adults. That is, would implementation of the alternative result in a short-term or long-term impact? Since the problem of structural unemployment is projected to be long-term, a lasting solution would be more desirable than a short-term one. Evaluation could determine whether or not dislocated workers who receive skill training and become employed suffer unemployment again sooner than dislocated workers who receive career counseling services and become employed?

### Criteria Applied

One measure of the possible success of either of the first two alternatives is the number of dislocated workers who would receive skill training following implementation. Would redirecting federal money to the postsecondary level result in more retrained adults? If current training programs

## TABLE 2

## POLICY ALTERNATIVES AND CRITERIA

| Policy Alternative | Criteria for Assessing Alternatives | | | | |
|---|---|---|---|---|---|
| | Number of Dislocated Adults Who Received Skill Training | Number of Dislocated Adults Who Were Placed After SkillTraining | Number of Dislocated Adults Who Were Placed | Cost Effectiveness | Duration of Alternative |
| 1. Redirect focus of vocational education from secondary to postsecondary level | X | X | | X | X |
| 2. Designate secondary level as education, and postsecondary as training | X | X | | X | X |
| 3. Career counseling and information services | | | X | X | X |
| 4. Entrepreneurial and economic development | | X | X | X | X |

were unavailable or full and adults could not receive retraining, then adding slots could increase the number of adults who were retrained. By and large, most training programs, except for certain high-technology courses, have vacancies. This may mean that dislocated adults are not interested in retraining in the skill areas available, cannot afford to attend school, or are not eligible for admission to the programs. If these latter reasons apply, simply channeling more money into postsecondary vocational training would do little to increase the pool of trained adults. Perhaps more remedial skill courses need to be developed to help dislocated adults prepare for occupational skill training. Additional federal funds could provide that. Using federal funds to provide stipends during training might also increase participation by dislocated workers. In any case, when measured against the criterion of the number of dislocated adults to be retrained, neither of the first two alternatives which result in more federal money to postsecondary education, suggests that the number of these adults would be significantly increased.

Successful implementation of either of the first two alternatives should result in more job placements of dislocated adults after training than before implementation. This would appear to be a good measure of the alternative's performance; however, it would only be useful if additional dislocated workers were, in fact, trained. Since that is not assured, the impact of either of the first two alternatives on the placement of retrained, dislocated workers is open to speculation.

One measure of the adequacy of the third and fourth policy alternatives, career counseling and economic development, is the number of dislocated workers placed in jobs without skill training. Career counseling and information services would result in more job placements than would occur in the absence of such services. Experiences of the job service and other employment and training programs such as the Comprehensive Employment and Training Act (CETA) and Work Incentive (WIN) Program demonstrate this. Successful economic development also results in job creation leading to placement. There would be no assurances, however, that the individuals placed would be dislocated adults unless the services were specifically targeted to that group.

The fourth policy alternative argues for entrepreneurial skill development. Measurement of the success of this skill training could be achieved by determining the number of individuals achieving economic independence with their own businesses. A further, longer-term indicator of the success of this alternative would be the number of additional workers who became employed in these new businesses. In order to contribute evidence to the success of this policy alternative, these additional workers would have to be dislocated adults.

Cost-effectiveness is another criterion against which all four alternatives may be measured. Which policy alternative would cost the most? Which alternative would return the most for the investment made? The first two alternatives provide for skill training that would be cost-intensive but could also yield high, long-term returns by retraining adults who would presumably become long-term, employed taxpayers. Several risks would be involved including whether or not the training was worthwhile, the retrained worker became employed, and the retrained worker remained employed. If any of these did not occur, the cost-effectiveness of the alternative would drop. Also, as indicated earlier, there is no assurance that additional federal money directed to postsecondary education would result in the training of a substantial number of dislocated workers.

The cost of providing skill training to one individual is several thousand dollars, depending on the length of the training program. Costs to the individual might also include lost income.

The third alternative, career counseling and information services, could be provided at a cost of a few hundred dollars per individual, a fraction of long-term skill training costs. In addition, even with similar staff numbers, counseling services could be provided to many more dislocated workers than could training.

The cost-effectiveness of entrepreneurial skill building and economic development activities is more difficult to estimate. It is hard to estimate what the returns of investment in these activities might be. Developing entrepreneurial skills could only lead to a limited number of new businesses because of limitations within the marketplace. The expectancy that these businesses would flourish would argue for long-term cost-effectiveness. Investing in economic development activities that may result in business expansion or favorable business relocations could be highly cost-effective. Implementation of this alternative, if it were the only option selected, would probably cost less than any of the other alternatives. The returns on investment, however, would be difficult to predict.

The final criterion against which the alternatives can be measured is the alternative's ability to impact structural unemployment for a lasting duration. If one assumes that structural unemployment will continue for many years, will the alternative continue to have an effect? The first two alternatives that would provide skill training for dislocated adults might be expected to have a continuing impact. This impact would depend on the relevancy of the training and whether or not skill demand changes in the labor market once again resulted in worker-skill obsolescence. Having been retrained, the worker might be a better candidate for additional retraining, if the need arises, than a worker who had not experienced retraining.

Once implemented, the new or expanded retraining programs would probably continue to operate. If these programs remained current with updated instructors and equipment, they would continue to provide valuable training to dislocated workers. There is always a possibility that the training program would become as obsolete as the skills of the dislocated worker.

The need of workers, employed or unemployed, for comprehensive career counseling and information services will continue. In fact, with accelerating change, this need increases. Consequently, such career development services would continue to be of value to dislocated workers.

Implementation of the fourth alternative, entrepreneurial and economic development, will also continue to be important as long as the large number of dislocated workers remains. In fact, this alternative, as well as the career counseling alternative, would be valuable whether or not there was a dislocated worker problem. The intent of both the third and fourth alternatives is to facilitate the adjustment of individuals to the labor market without additional occupationally-specific skill training.

### Constraints, Limitations, and Consequences

A number of constraints, limitations, and consequences to the implementation of each of the policy alternatives can be identified. These issues would warrant careful scrutiny before implementation can be considered.

#### Alternative One: Redirect Focus from Secondary to Postsecondary

Unless more federal funds were distributed to the states, redirecting current federal money to the postsecondary level from the secondary level would have limited impact in dealing with structural unemployment. Since most vocational education money (over 80 percent) is not federal, the expansion and development of new training programs for dislocated adults would have to be funded through state or local sources. State and local operating budgets would be hard pressed to provide additional resources.

If current federal money were significantly diverted to postsecondary training programs, secondary vocational education would suffer unless additional state or local money replaced the lost federal funds. One consequence of less support for vocational education at the secondary level would mean fewer programs available to students and increasingly obsolete equipment and materials. Because many students continue in school only because of access to vocational programs, the dropout rate of high school students might increase.

If additional federal money were authorized for postsecondary programs, more dislocated adults might receive skill training. However, many such individuals would still not be helped if they did not live near such institutions, could not meet admission standards, or could not support themselves during the training period.

Without additional federal funds, political realities from the federal to the local institution level suggest that such a redirection in emphasis from secondary- to postsecondary-level programs would have only slight if any impact on the retraining of dislocated adults.

**Alternative Two: Restrict Secondary-level Vocational Programs to Education, not Training**

This alternative argues for a redefinition of the role and goal of vocational programs by requiring the secondary level to restrict programs to nontraining, nonoccupationally-specific instruction. Occupationally-specific, job-specific and employer-specific training would be provided at the postsecondary level. This would result in more training programs for adults.

Such a proposed change would quickly mobilize forces arguing for preservation of the status quo. The impact of such a role change would be pervasive and touch each community with a high school that offers vocational education instruction. Local community people, students, parents, employers, vocational education teachers, and school administrative staff would respond. Professional associations representing vocational educators would also react.

If the secondary level were restricted to vocational education, someone would need to determine what constitutes vocational education and what is vocational training. If training were not available in secondary schools, many communities and students would be left without access to such training programs. As with the first policy alternative, the dropout rate might increase as training programs were phased out. Also, many youth would have fewer entry-level job skills, which might increase the already high unemployment rate of youth. Many youth would be forced to continue their schooling beyond high school to learn the skills they could have been adequately trained in at the secondary level.

If the training function were redirected to postsecondary institutions, many of these schools would not be prepared to deal with an expanded training role. Additional facilities and new or expanded curricula might be needed. Staffing and equipment needs would have to be addressed as well.

Assuming that the change in role and mission was accomplished, it is not clear whether or not significantly more dislocated adults would receive skill training. If additional federal money were allocated to the postsecondary level, more training slots could become available, but the consequent impact on dislocated adults is uncertain. In any case, many of these structurally unemployed adults would not be reached.

**Alternative Three: Implement Comprehensive Career Counseling and Information Services**

Perhaps the biggest issue to deal with in considering implementation of this alternative is that of duplication and overlap with other federal agencies who are authorized to provide such services. Strengthening or expanding existing services within agencies currently providing them would perhaps meet with the fewest obstacles. Joint efforts between agencies including the sharing of staff, facilities, and resources, might prove to be an effective, non-duplicative strategy.

Implementation of this alternative would require qualified and trained staff to provide the comprehensive career counseling and information services. Access to current labor market information and assessment materials would be necessary. Cooperation with a variety of community agencies and services would have to be established and maintained to maximize the impact of the services for dislocated adults.

Another constraint centers around the issue of whether or not dislocated workers would avail themselves of the counseling and information services. How would they be identified and contacted? How would impact of the service be measured? Who would monitor and provide quality control?

**Alternative Four: Economic Development Including Entrepreneurial Skill Building**

As with the third alternative, economic development activity falls within the purview of several federal agencies. If this alternative were implemented by agencies new to this activity, coordination with those already involved would be critical. Furthermore, economic development efforts would have to be coordinated with state and local efforts.

Economic development activities might not impact the structurally unemployed population in large numbers or on a continuous basis. The impact might be sporadic and limited.

Developing entrepreneurial skills would also be a relatively low-impact alternative. The number of dislocated workers who would be assisted, at least until new businesses could grow, is small.

Geographical impact of this alternative might be a limitation as well, depending upon how it was implemented. Also, availability of appropriately trained personnel might be a constraint affecting implementation.

**Selection of Alternatives**

The problem with which this analysis is concerned is the high rate of structural unemployment experienced by adults. Four alternatives for addressing this issue have been examined. Two of the alternatives provide for skill retraining of dislocated workers; one alternative proposes career counseling and information services; and the fourth one proposes entrepreneurial skill building and economic development.

How effectively would each alternative deal with structural unemployment? Does one alternative appear potentially more effective in reducing structural unemployment than the others? Is

some combination of alternatives a wiser course? Or, can none of these alternatives be expected to impact structural unemployment?

Each alternative has been measured against criteria that addressed the number placed, number placed after training, cost-effectiveness, and duration of impact. Constraints, limitations, and consequences have also been briefly reviewed.

The analysis suggests that the third alternative--namely, providing comprehensive career counseling and information services—is the most likely alternative to be effective in addressing the issue of structural unemployment. Implementation of such services could result in immediate assistance for unemployed workers including placement into jobs, skill training programs, or other options. This alternative would be more cost-effective than the skill training alternatives, and more dislocated workers would receive services under this option than any other. The counseling and information would also provide long-term knowledge and skill in adjusting to labor market changes in the future.

This alternative also meets with fewer constraints to implementation than is true for the skill training alternatives. And in comparison, the limitations and negative consequences for implementation of this alternative are minimal.

The next most attractive alternative appears to be the entrepreneurial and economic development option. This alternative would result in job placement of dislocated workers as a consequence of economic development activity. Developing entrepreneurial skills, of dislocated workers and others, would assist in establishing businesses leading to future growth and jobs. Of all the alternatives, this option might be the most cost-effective unless it included customized training that was subsidized. The duration of impact of this alternative would be long term only if it continued to be supported and implemented.

The constraints and limitations to implementation of this alternative do not appear prohibitive. No serious, unintended consequences are obvious.

Alternatives one and two, which propose redirection of resources to postsecondary institutions and eliminating the *training* function at the secondary level, are less convincing as effective options for dealing with the high structural unemployment rate. Although retraining of dislocated workers in efforts to facilitate their reemployment merits attention, these two alternatives might not be the most appropriate approaches. In applying the criteria to estimate the alternatives' ability to produce retrained dislocated adults and their ability to place them after skill training, too many questions remain unanswered. These two skill training alternatives appear less cost-effective than the other alternatives. However, the duration of their impact might exceed that of alternatives three and four.

Numerous constraints, limitations and unintended consequences are associated with attempted implementation of these skill training alternatives. In light of their questionable impact on dislocated workers, these alternatives would have limited value.

Overall, a combination of the third and fourth alternatives might provide the most effective attack on the unemployment rate of dislocated workers. Comprehensive career counseling, information services, entrepreneurial skill building, and economic development represent a variety of efforts that could help the unemployed. In general, these activities would be cost-effective, would result in employment of dislocated workers, and would meet with less resistance to implementation than the other alternatives. Combining these alternatives with existing programs of vocational

education and employment and training would ensure a broad-based effort toward the development and use of our human resources.

### Monitoring and Evaluation

No matter which alternative or combination of alternatives is selected for implementation, authority for the administration, monitoring, and evaluation should be clearly lodged with a single agency. No new agency should be created if an existing one can reasonably be expected to administer the new program. This agency should have an established structure, staff capacity, and a system of linkages providing assurance that successful implementation of the program would occur. It might be that additional qualified staff and other nonpersonnel resources would be necessary.

The agency charged with administration of the program would provide the planning, monitoring, and evaluation mechanisms from the federal to the local level. As much state and local flexibility in implementation as possible should be allowed consistent with overall goal attainment.

A reporting system would be designed to provide key data for monitoring operation of the system. This reporting procedure would be attached to an existing reporting system if at all possible. Data from the system would also be used for evaluation. An annual report would be required, summarizing overall performance as well as attainment of specific goals. Also included in this report would be recommended program revisions and improvements.

At the local level of implementation, advisory committees or councils should be established to promote linkages between various agencies and services. Such advisory councils should also serve as informal monitoring mechanisms providing local feedback to improve program performance.

## CHAPTER 8

## SUMMARY

There is no national policy for the development of human resources in this country. One part of the human resource issue is the high structural unemployment rate of older workers. Even with substantial economic recovery, the unemployment rate of workers dislocated for technological and other structural reasons is projected to remain high.

Previous and current federal efforts in the employment and training arena have not been directed toward dislocated adults. The new Job Training Partnership Act, Title III, will provide a miniscule effort in this direction. Vocational education has no established policy toward dislocated workers although in suggested revisions of the federal legislation for vocational education, the U.S. Department of Education is supporting the funding of retraining and upgrading programs of unemployed as well as employed adults (Lloyd 1983).

Retraining was identified as one option that would give dislocated workers greater power over their economic fate. Two alternatives, both using vocational education money directed at postsecondary institutions, were examined for their ability to retrain dislocated workers. A third alternative examined the effectiveness of comprehensive career counseling and information services for dealing with dislocated adults. The fourth alternative reviewed the impact that entrepreneurial skill building and economic development might have on the high rate of structural unemployment.

The alternatives were projected against several criteria, including numbers of dislocated workers retrained, placements after training, and cost-effectiveness. Constraints to the implementation of each alternative were identified, as well as limitations and consequences.

Based on this analysis, the alternative estimated to have the greatest impact on dislocated workers calls for the provision of comprehensive career counseling and information services. Entrepreneurial and economic development also appears to be a promising alternative. Both alternatives, combined with existing educational and employment and training systems, would address the issue of structural unemployment on multiple fronts.

Current dialogue about the problems faced by structurally unemployed workers is escalating in Congress, state legislatures, and local communities. Some tentative steps in formulating or demonstrating a policy in dealing with the retraining of dislocated workers is evidenced by Title III of the Job Training Partnership Act, the proposed Vocational-Technical Education Act, the California legislation entitled Employment Training Panel (Duscha 1982), proposed U.S. House of Representatives Bills 3501 Unemployment Compensation and Adjustment Assistance Act of 1983 and 2788 Defense Industrial Base Revitalization Act, and proposed U.S. Senate Bills 1799 Training for the Unemployed Assistance Act and 1800 Training Act of 1983. The time is right for formulation of a national human resource development policy.

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